



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Color Country District - St. George Field Office
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RETURN RECEIPT REQUESTED

January 7, 2011

Mr. Mike Eager
3334 Hamblin
Santa Clara, Utah 84765

RECEIVED
JAN 10 2011
DIV. OF OIL, GAS & MINING

Dear Mr. Eager:

The St. George Field Office (SGFO) received your letter on December 22, 2010 regarding your ten mining claims, the Black Knole (UMC361596), Sand Ridge (UMC361601), Rattlesnake 1-4 (UMC361597-361600), and Vanderbuilt (UMC361602-361605) lode mining claims in T.41 S., R.13 W., sec. 17 and 20 in the Babylon area of the Red Cliffs National Conservation Area. You requested a response on how to meet the assessment work/proof of labor requirements to maintain ownership of these claims.

You can maintain ownership of your mining claims without submitting a complete Plan of Operations by paying the annual maintenance fee (see 43 CFR 3834). You can also conduct geological, geochemical, or geophysical surveys that do not exceed casual use to meet the assessment work requirements (see 43 CFR 3836). Casual use does not result in significant surface disturbance. Surface disturbance is the alteration or removal of soil or vegetation, usually caused by motorized or mechanical actions, that results in more than negligible disturbance to public lands and resources. Surface disturbance may result from activities using earth-moving and drilling equipment; geophysical exploration; off road vehicle travel, road construction or road maintenance. Surface disturbance may, but does not always require reclamation.

You have maintained the claims noted above under the small miner waiver for annual maintenance fee requirements (43 CFR 3835.1), therefore you have been waived from paying the annual maintenance fee (currently \$140 per claim). You are required do assessment work for the small miner exemption and file an affidavit of assessment work (Proof of Labor). This assessment work typically includes but is not limited to drilling, excavations, driving shafts and

tunnels, sampling, road construction and maintenance on or for the benefit of the mining claims, and geological, geochemical, and geophysical surveys. Any assessment work done must directly relate to the development or extraction of the locatable minerals on these claims. Please be advised that surveys (geological, geochemical and geophysical) may not be used to satisfy the assessment work requirement for more than two consecutive years or for more than a total of five years on any one claim. You should also be aware that the surveys must be conducted by a qualified experts and verified the results in a detailed report filed in the county or recording district office where the claim is recorded (43 CFR 3836.14). You may want to consult with your legal advisor.

This does not exempt you from submitting a Notice or Plan of Operations for operations should you proceed with any activities other than casual use on any BLM administered federal lands. Any heavy equipment use on BLM administered federal lands requires submittal of a notice or a plan of operations and a financial guarantee for reclamation. No mining claimant is allowed to use heavy equipment to improve or perform maintenance work on access roads or existing mining claim roads without previous authorization on any BLM administered lands.

Current regulations require the submission of a Plan of Operations for mining activities that result in more than negligible disturbance conducted within National Conservation Areas, lands containing federally listed threatened or endangered species or designated critical habitat, and areas designated as closed to off road vehicle use (see 43 CFR 3809.11(c)(5,6,7)). Plan-level operations are required in these areas due to the higher level of protection required and to insure that no operations would result in unnecessary or undue degradation. Plan-level operations, as stated in 43 CFR 3809.401 require additional information to be included, such as measures and plans to protect wildlife and habitat rehabilitation.

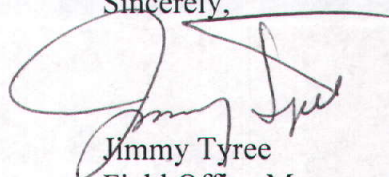
Lands containing your current mining claims were designated as critical habitat for the desert tortoise by the U.S. Fish and Wildlife Service on February 8, 1994 in the *Federal Register* (59 FR 5820). These lands were incorporated into the Red Cliffs Desert Reserve, segregated on December 30, 1996 and withdrawn on August 10, 2000 from mineral entry from the 1872 Mining Law (as amended). These lands were closed to off road vehicle use by the Red Cliffs Desert Reserve Public Use Plan on June, 12, 2000. These lands were further designated as the Red Cliffs National Conservation Area and withdrawn from mineral entry on March 30, 2009 by Public Law 111-11.

In addition, please be advised that the current regulations will not allow BLM to approve a Plan of Operations on lands withdrawn from mining location until it has prepared a mineral examination report to determine whether the affected mining claims were valid before the date of withdrawal and whether they remain valid since that time (see 43 CFR 3809.100). The examination will allow you to provide whatever information you have to substantiate the validity of your claims. On October 7, 2005, the Department of the Interior published final rules to establish new fees to cover the government's costs for processing documents relating to mineral actions on public lands (70 FR 58855). Among other things, the rules require that an "...applicant for any action for which a mineral examination, including a validity examination..., and their required reports, is performed under section 3809.100... of this part must pay a processing fee on a case-by-case basis ..." (see 43 CFR 3800.5(b)). Our office will work with you to determine what a reasonable estimate should be on the processing costs of completing the mineral examination.

The SGFO has sent you six letters during the March 20, 2001 to March 29, 2006 period detailing all that is required under the 3809 regulations. In addition, numerous meetings and phone conversations were conducted to further explain the regulatory requirements. The SGFO cannot act or allow mining activities until you make a submittal in conformance with the current regulations.

The Babylon Road in the East Reef/Babylon area in the Red Cliffs NCA runs through the Black Knole, Sand Ridge, Rattlesnake 1-4, and Vanderbuilt claim block and should provide you with general access. If you need to access your claims by driving directly to them on the closed roads, we will provide a biologist to accompany you. If you have any additional questions regarding the points in this letter, please contact Russell Schreiner at (435) 688-3205.

Sincerely,



Jimmy Tyree
Field Office Manager

cc: Robert Sandberg, Administrator
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